



SUMMARY OF MATERIAL MODIFICATIONS – Effective January 1, 2015

The following are important updates that have been made to your Health Plan as described in the Summary Plan Description (SPD) booklets that have an effective date of January 1, 2013. Please review this information carefully. Because these modifications amend the terms of your Plan, please keep this summary of changes with your SPD booklet and all other materials relating to your Plan for your information.

BENEFITS ASSISTANCE AND RESOURCES

+Resources

Note: This update is only applicable to the Basic and Basic Plus Plans.

The “Resources” Section is amended to add contact information for EnvisionRx, which is the pharmaceutical benefits administrator for these plans for all claims occurring on or after January 1, 2015.

EnvisionRx Member Services

Customer Service HelpDesk

800-361-4542

www.envisionrx.com

ELIGIBILITY

+Criteria for Active Employees

Note: This update is applicable to All Plan Descriptions.

The “Active Employees” provision in the Eligibility section is amended to revise Paragraph Number One to modify eligibility standards for active employees effective as of the beginning of Plan Year 2015. As revised this Paragraph Number One shall read as follows.

Active Employees

1. Through December 31, 2014, to be eligible, active employees must be regular employees occupying positions budgeted for at least half-time (0.5 A.P. – 20 hours) or working in a full-time position (1.0 A.P.) at least 20 hours per week on a regular basis or otherwise as authorized by the City. Effective January 1, 2015, to be eligible, an active employee must either (i) be a regular employee occupying a position budgeted for full-time (1 A.P. – 40 hours) (ii) meet criteria under the Patient Protection and Affordable Care Act, 42 U.S.C. § 18001 *et seq.* (2010), and associated regulations to be currently considered a “full time employee” for purposes of being entitled to coverage under federal law or (iii) be otherwise authorized to participate by the City Council. Contact the Human Resources Department for additional information.



ELIGIBILITY

+Criteria for Active Employees Seeking Disability Retirement

Note: This update is applicable to All Plan Descriptions.

The Eligibility section is amended to add a new provision to be entitled “Employees Seeking Disability Retirement,” which establishes specialized enrollment periods if certain conditions are met, with the change taking effect September 1, 2014. This provision shall read as follows.

Employees Seeking Disability Retirement

An active employee who:

- (i) is eligible to apply for disability retirement,
- (ii) submits an application for disability retirement to the Employees’ Retirement Fund (ERF) prior to termination of City employment,
- (iii) is awaiting ERF’s determination, **and**
- (iv) obtains COBRA health coverage for the period while the determination is pending

is eligible for medical coverage through the City in retirement, **provided however**, that the employee must enroll him/herself and eligible dependents into the medical benefits plan on or before the later of either (i) the sixtieth (60th) day after the date of termination or (ii) the twenty-first (21st) day after the effective date of ERF’s decision.

If the ERF approves the application, the individual may enroll as a disability retiree. Enrollment and coverage will coincide with the effective date of disability retirement. Retiree will be required to pay any unpaid premium payments in arrears back to the enrollment date. If the ERF denies the application, the individual may enroll as an early retiree **if otherwise eligible**.

If the individual does not enroll him/herself and all eligible dependents by the deadline, the individual will not be able to enroll in the future.

NOTE – An individual must have continuous health coverage to be eligible to obtain retiree health coverage through the City. Because the disability retiree status does not attach until a determination is made by ERF and ERF’s determinations are prospective only, COBRA health coverage **must** be obtained to provide health coverage to avoid a gap between active employment and disability retirement.



SUMMARY OF BENEFITS

+Reduced Cost at Certain Providers

Note: This update is only applicable to the Basic and Basic Plus Plan Descriptions.

The *Summary of Benefits* charts for the Basic and Basic Plus Plan are revised to insert additional information into the “Reduced Cost at Certain Providers” text box at the end of the medical benefits chart of each plan (page 25 for Basic; page 30 for Basic Plus) to describe additional reduced-cost services available at USMD-associated providers beginning January 1, 2015. As revised, these text boxes shall read as follows.

Reduced cost at certain providers.

Effective May 1, 2014, for individuals on the Basic and Basic Plus plans, the co-pay for a doctor visit at the City of Fort Worth’s designated near site clinic at USMD Medical Clinic of North Texas, 909 9th Avenue, Suite 300, Fort Worth, Texas 76104, shall be limited to \$10.00.

Effective January 1, 2015, for individuals on the Basic and Basic Plus plans, the co-pay for a visit to a USMD-designated Primary Care Physician (PCP) shall be limited to \$10.00.

Effective January 1, 2015, for individuals on the Basic and Basic Plus plans, no co-pay or deductible will be required for a routine physical examination and supporting lab work if obtained through a USMD physician.



SUMMARY OF BENEFITS

+ Use of Certain Pharmacies

Note: This update is only applicable to the Basic Plan Description.

The *Summary of Benefits* charts for the Basic Plan are revised to insert additional information into the “Prescription Drug” chart to describe conditions applicable to obtaining a 90-day supply at a retail pharmacy, to identify the new specialty pharmacy provider, and to identify co-pay reductions available at certain pharmacies, with all changes effective January 1, 2015. For ease of understanding the entire chart, with additions, is included below.

Basic Option

Prescription Drugs

Plan Features	In-Network	Out-of-Network
Calendar Year Deductible		
Individual		\$50
Family		\$150
30-day supply: Retail, Specialty* and Mail Order Pharmacy		
Generic	100% after deductible and \$10 co-pay	60% after deductible and \$10 co-pay
Brand Formulary	100% after deductible and \$30 co-pay	60% after deductible and \$30 co-pay
Brand Non-Formulary	100% after deductible and \$50 co-pay	60% after deductible and \$50 co-pay
90-day Supply: Mail Order Pharmacy		
Generic	100% after deductible and \$25 co-pay	Not covered
Brand Formulary	100% after deductible and \$75 co-pay	Not covered
Brand Non-Formulary	100% after deductible and \$125 co-pay	Not covered



90-day Supply: Retail Pharmacy – Walmart and Sam’s Club Pharmacies Only (effective 1/1/2015)		
Generic	100% after deductible and \$15 co-pay	Not covered
Brand Formulary	100% after deductible and \$75 co-pay	Not covered
Brand Non-Formulary	100% after deductible and \$135 co-pay	Not covered

* Effective January 1, 2015, specialty pharmacy services are provided exclusively through Costco Specialty Services. See *Specialty Pharmacy* in *Prescription Drug Benefits* for information about specialty pharmacy services.

Diabetic Drugs and Supplies

The deductible and co-pay are waived for generic diabetic drugs and supplies. The deductible is waived and the co-pay is reduced by 50% for brand formulary diabetic drugs and supplies.

Reduced cost with use of certain pharmacies

Effective January 1, 2015, for individuals on the Basic plan, listed copays for 30-day supply prescriptions shall be reduced by \$5.00 for each prescription that is filled at a Walmart or Sam’s Club pharmacy.



SUMMARY OF BENEFITS

+ Use of Certain Pharmacies

Note: This update is only applicable to the Basic Plus Plan Description.

The *Summary of Benefits* charts for the Basic Plus Plan are revised to insert additional information into the “Prescription Drug” chart to describe conditions applicable to obtaining a 90-day supply at a retail pharmacy, to identify the new specialty pharmacy provider, and to identify co-pay reductions available at certain pharmacies, with all changes effective January 1, 2015. For ease of understanding the entire chart, with additions, is included below.

Basic Plus Option

Prescription Drugs

Plan Features	In-Network	Out-of-Network
Calendar Year Deductible		
Individual		\$25
Family		\$75
30-day supply: Retail, Specialty* and Mail Order Pharmacy		
Generic	100% after deductible and \$8 co-pay	60% after deductible and \$8 co-pay
Brand Formulary	100% after deductible and \$25 co-pay	60% after deductible and \$25 co-pay
Brand Non-Formulary	100% after deductible and \$45 co-pay	60% after deductible and \$45 co-pay
90-day Supply: Mail Order Pharmacy		
Generic	100% after deductible and \$20 co-pay	Not covered
Brand Formulary	100% after deductible and \$62.50 co-pay	Not covered
Brand Non-Formulary	100% after deductible and \$112.50 co-pay	Not covered



90-day Supply: Retail Pharmacy – Walmart and Sam’s Club Pharmacies Only (effective 1/1/2015)		
Generic	100% after deductible and \$9 co-pay	Not covered
Brand Formulary	100% after deductible and \$60 co-pay	Not covered
Brand Non-Formulary	100% after deductible and \$120 co-pay	Not covered

* Effective January 1, 2015, specialty pharmacy services are provided exclusively through Costco Specialty Services. See *Specialty Pharmacy* in *Prescription Drug Benefits* for information about specialty pharmacy services.

Diabetic Drugs and Supplies

The deductible and co-pay are waived for generic diabetic drugs and supplies. The deductible is waived and the co-pay is reduced by 50% for brand formulary diabetic drugs and supplies.

Reduced cost with use of certain pharmacies

Effective January 1, 2015, for individuals on the Basic Plus plan, listed copays for 30-day supply prescriptions shall be reduced by \$5.00 for each prescription that is filled at a Walmart or Sam’s Club pharmacy.



+ Exclusion of Certain Ingredients and Chemicals

Note: This update is only applicable to the Consumer Choice Plan Description.

The “What the Prescription Drug Program Does Not Cover” provision in the Prescription Drug Benefits section is revised to add exclusions for certain ingredients and chemicals effective as of the beginning of Plan Year 2015. As revised this provision shall read as follows.

PRESCRIPTION DRUG BENEFITS

What the Prescription Drug Program Does Not Cover

The following prescription drug expenses are not covered:

- Administration or injection of any drug.
- Allergy sera and extracts.
- Any drug dispensed by a mail-order pharmacy other than Aetna Rx Home Delivery.
- Any drug entirely consumed when and where it is prescribed.
- Any drug or ingredient not approved by the Food and Drug Administration.
- Any drug that does not, by federal law, require a prescription, such as an over-the-counter drug or equivalent over-the-counter product, even when a prescription is written for it.
- Any refill of a drug dispensed more than one year after prescribed, or as permitted by law where the drug is dispensed.
- Biological sera, blood, blood plasma, blood products or substitutes, or any other blood products.
- Bulk Chemicals and/or bulk powders used in compounding prescriptions.
- Devices of any type (such as a spacer or nebulizer) used in connection with a prescription drug. Note that some devices may be covered as **durable medical equipment** or as part of another benefit.
- Experimental or investigational drugs or devices. This exclusion will not apply to drugs that:
 - Have been granted treatment investigational new drug (IND) or Group c/treatment IND status; or
 - Are being studied at the Phase III level in a national clinical trial sponsored by the National Cancer Institute; and
 - Aetna determines, based on available scientific evidence, are effective or show promise of being effective for the illness.
- Food items, including infant formula, nutritional supplements, vitamins (including prescription vitamins), medical foods and other nutritional items, even when the item is the only source of nutrition.
- Genetics: Any treatment, device, drug or supply to alter the body’s genes, genetic make-up or the expression of the body’s genes, except for the correction of congenital birth defects.



- Immunization or immunological agents.
- Less than a 30-day supply of any prescription filled through Aetna Rx Home Delivery, the Plan's mail-order service.
- More than a 30-day supply of a prescription filled at a retail pharmacy.
- More than the number of refills specified by the prescribing doctor.
- Oral and injectable fertility drugs.
- Smoking cessation aids.
- Weight loss and weight gain drugs, including (but not limited to) stimulants, preparations, foods, diet supplements, dietary regimens and appetite suppressants.



+ Restated Prescription Drug Benefits/New Administrator

Note: This update is only applicable to the Basic and Basic Plus Plan Descriptions.

Effective January 1, 2015, Envision Pharmaceutical Services, LLC (“Envision”) will be the third-party administrator for prescription drug benefits under the Basic and Basic Plus plans. The *Prescription Drug Benefits* section of the SPD is restated for the Basic and Basic Plus Plan to reflect Envision’s role and contact information. All other provisions of the SPD that relate to and processing of administration prescription drug benefits, including, but not limited to, the *Claims and Benefit Payment* section and the *Glossary* shall continue to apply to the Basic and Basic Plus plans with all references therein to be read effective January 1, 2015 to mean Envision where applicable. As restated the Prescription Drug Benefits section for the Basic and Basic Plus Plans shall be as follows effective January 1, 2015.

PRESCRIPTION DRUG BENEFITS

Outpatient prescription drugs prescribed by a physician to treat an illness or injury are covered.

There are four ways to fill prescriptions:

- At an in-network retail pharmacy;
- By mail order through Costco Mail Order Pharmacy;
- Through Costco Specialty Services; or
- At an out-of-network retail pharmacy (the benefits you receive will be reduced).

The amount you pay for your prescription depends on whether the drug is generic or brand-name, or if it is in the formulary.

The formulary is a list of preferred drugs that includes both brand-name and generic drugs. You can reduce your co-payment by using a covered drug that appears on the formulary.

A formulary drug list is a list of medications organized into groups or “Tiers.” For a full listing of the formulary drug list please visit www.envisionrx.com. The formulary is reviewed and updated periodically.

Retail Pharmacy

You may fill your prescription for up to a 30-day supply at a retail pharmacy. The only retail pharmacies at which a greater supply may be obtained are Walmart and Sam’s Club; at those retail pharmacies you may fill your prescription for up to a 90-day supply. The benefit level for prescriptions obtained at out-of-network retail pharmacies is lower than the benefit level for prescriptions obtained at in-network retail pharmacies.

To find a list of in-network pharmacies, access the Pharmacy Locator at www.envisionrx.com. You may also call the EnvisionRxOptions Help Desk at 1-800-361-4542 to see if your pharmacy is the network.



Mail-Order Prescriptions

If you take medications on a regular basis, you may order up to a 90-day supply through Costco Mail Order Pharmacy, Envision's mail order drug service. Costco Mail Order Pharmacy is easy-to-use, and mail order prescriptions save you money.

You have two options for using this service.

- 1) Traditional mail order service – where all orders are placed through the mail or by phone.
- 2) Online order service – where orders can be placed online at www.pharmacy.costco.com.

To best use this service, you can request and review a Costco Mail Order Pharmacy brochure by contacting Costco Mail Order Pharmacy at 1-800-607-6861. If you have questions on how to get started using the Costco Mail Order Pharmacy please visit www.pharmacy.costco.com or contact the pharmacy by phone, Monday-Friday 5am – 7pm (Pacific Time) and Saturday 9:30am – 2pm (Pacific Time).

If you need to start your medication immediately or do not have a two (2) week minimum supply on hand, request two prescriptions from your physician: one for a short -term supply to fill at a local retail pharmacy and one for a 90-day supply (including refills) that can be submitted to Costco Mail Order Pharmacy.



Specialty Pharmacy

Patients with chronic medical conditions often need medications that are not readily available at a local pharmacy. These medications may require special storage and handling, and sometimes they have side effects that must be carefully monitored.

Costco Specialty Services is the exclusive provider for your specialty medications as part of your prescription drug plan. What this means for you is that you and those covered under your benefit will receive the personalized care and expertise of Costco Specialty Services' dedicated pharmacists, which is essential to successful therapy. This is because Costco Specialty Services goes beyond traditional retail pharmacy, helping you get the most from your specialty medication therapy.

The plan allows you to fill the first prescription for a specialty medication at your local retail pharmacy. ***All refills must be obtained through Costco Specialty Services via mail order.***

Because specialty medications can be more difficult to manage, Costco Specialty Services offers the following patient support services at no charge:

- Personalized support to help you achieve the best results from your prescribed therapy
- Convenient delivery to your home or prescriber's office
- Easy access to a Care Team who can answer medication questions, provide educational materials about your condition, help you manage any potential medication side effects, and provide confidential support—all with one toll-free phone call
- Assistance with your specialty medication refills

If you have any questions, or to begin to take advantage of these complimentary patient support services, please call Costco Specialty Services toll free at **1-866-443-0060**.

What the Prescription Drug Program Covers

The following prescription drug expenses are covered:

Federal legend drugs – drugs that require a label stating: “Caution: Federal law prohibits dispensing without a prescription”;

Compounded medications, of which at least one ingredient is a federal legend drug;

Any other drug which, under applicable state law, may be dispensed only upon a physician's written prescription;

Insulin needles and syringes;

Insulin;

Over-the-counter diabetic supplies;

Blood glucose monitors and test strips;

Glucose agents, glucagon emergency kits and injectable glucagon;

Contraceptive drugs; and



Drugs to treat erectile dysfunction, up to 6 tablets per month.

Glucometer Replacement.

EnvisionRxOptions has a program that allows members to receive a free glucometer. Call **1-866-224-8892** for an Abbott Diabetes Care Glucometer (FreeStyle and the Precision Xtra® Blood Glucose & Ketone Monitoring Systems) or **1-877-229-3777** for a Bayer HealthCare, Diabetes Care Glucometer (Ascensia® CONTOUR® and Ascensia® BREEZE®). **Please identify EnvisionRxOptions as your pharmacy benefits administrator**, and Abbott or Bayer will take care of the rest. There is a limit of one glucometer per member.



What the Prescription Drug Program Does Not Cover

The following prescription drug expenses are not covered:

- Administration or injection of any drug.
- Allergy sera and extracts.
- Any drug dispensed by a mail-order pharmacy other than Costco Mail Order Pharmacy.
- Any drug entirely consumed when and where it is prescribed.
- Any drug or ingredient not approved by the Food and Drug Administration.
- Any drug that does not, by federal law, require a prescription, such as an over-the-counter drug or equivalent over-the-counter product, even when a prescription is written for it.
- Any refill of a drug dispensed more than one year after prescribed, or as permitted by law where the drug is dispensed.
- Biological sera, blood, blood plasma, blood products or substitutes, or any other blood products.
- Bulk Chemicals and/or bulk powders used in compounding prescriptions.
- Devices of any type (such as a spacer or nebulizer) used in connection with a prescription drug. Note that some devices may be covered as **durable medical equipment** or as part of another benefit. Experimental or investigational drugs or devices. This exclusion will not apply to drugs that:
 - Have been granted treatment investigational new drug (IND) or Group c/treatment IND status; or
 - Are being studied at the Phase III level in a national clinical trial sponsored by the National Cancer Institute; and
 - EnvisionRx determines, based on available scientific evidence, are effective or show promise of being effective for the illness.
- Food items, including infant formula, nutritional supplements, vitamins (including prescription vitamins), medical foods and other nutritional items, even when the item is the only source of nutrition.
- Genetics: Any treatment, device, drug or supply to alter the body's genes, genetic make-up or the expression of the body's genes, except for the correction of congenital birth defects.
- Immunization or immunological agents.
- Less than a 30-day supply of any prescription filled through Costco Mail Order Pharmacy, the Plan's mail-order service.
- More than a 30-day supply of a prescription filled at a retail pharmacy other than a Walmart or Sam's Club pharmacy.
- More than the number of refills specified by the prescribing doctor.
- Oral and injectable fertility drugs.
- Smoking cessation aids.



- Weight loss and weight gain drugs, including (but not limited to) stimulants, preparations, foods, diet supplements, dietary regimens and appetite suppressants.

If you have any questions regarding your prescription drug benefit or need assistance, please call the EnvisionRxOptions Customer Service Help Desk at 1-800-361-4542.



SUMMARY OF BENEFITS

+ Reduced Cost for Certain Preventive Medicines

Note: This update is only applicable to the Consumer Choice Plan Description.

The *Summary of Benefits* charts for the Consumer Choice Plan are revised to insert a text box following the Prescription Drugs chart (page 37 of the SPD) to describe additional reduced-cost services available at certain pharmacies beginning January 1, 2015. This text box shall read as follows.

Reduced cost for certain preventive and maintenance medicines

Effective January 1, 2015, for individuals on the Consumer Choice plan, federally identified eligible preventive or maintenance medications for conditions such as asthma, blood pressure, or cholesterol are available (i) with no copay for a generic medication or (ii) at a 50% discounted copay for a preferred medication.